

Council President Mick Mellett called the special council meeting of May 27, 2005 to order at 8:02 a.m. Present for the meeting were Council President Mellett, Council Members Russ Docherty, Leslie Falcon, and Jim Burkholder, Clerk Kris Larson, City Administrator Stephen Boorman, and Elizabeth Ciepiela from the Bonners Ferry Herald.

Council reviewed the election tally books and canvassed the votes of the May 24, 2005 election. Russ Docherty moved to adopt Resolution 2005-18 Canvassing the Returns and Declaring the Results of the Election. Jim Burkholder seconded the motion and it passed – Russ Docherty “yes”, Leslie Falcon “yes”, Jim Burkholder “yes”, Mick Mellett “yes”. Resolution 2005-18 reads as follows:

RESOLUTION NO. 2005-18
A RESOLUTION OF THE CITY OF BONNERS FERRY, OF BOUNDARY COUNTY, IDAHO,
CANVASSING THE RETURNS AND DECLARING THE RESULTS OF THE SPECIAL ELECTION
HELD ON MAY 24, 2005, FOR THE PURPOSE OF SUBMITTING TO THE QUALIFIED ELECTORS
OF THE CITY A PROPOSITION FOR THE ISSUANCE OF WATER REVENUE BONDS OF THE
CITY IN A PRINCIPAL AMOUNT OF NOT TO EXCEED \$3,000,000, AND ASKING WHETHER
RESIDENTS OF THE CITY WISHED TO ASSUME THE ASSETS AND LIABILITIES OF THE
NORTH WATER AND SEWER DISTRICT AND THE SOUTH HILL WATER AND SEWER
DISTRICT; AND PROVIDING FOR OTHER MATTERS PROPERLY RELATING THERETO
CITY OF BONNERS FERRY
Boundary County, Idaho

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF BONNERS FERRY, of Boundary County, Idaho, as follows:

WHEREAS, the City of Bonners Ferry (the "City"), of Boundary County, Idaho, is an Idaho city created and operating under the Constitution and laws of the State of Idaho; and

WHEREAS, a special bond election was duly held on Tuesday, May 24, 2005, for the purpose of submitting to the qualified electors of the City the proposition of whether or not the City should be authorized to issue and sell its water revenue bonds in a principal amount of not to exceed \$3,000,000 to pay part of the costs of constructing and acquiring improvements to the City's water system, as set forth in Ordinance No. 488 of the City, adopted on February 15, 2005; and

WHEREAS, at said special election on May 24, 2005, the qualified electors of the City were also asked to authorize the assumption of the assets and liabilities of the North Water and Sewer District and the South Hill Water and Sewer District; and

WHEREAS, the City Council now desires to canvass the votes cast for or against the proposition and to declare the results of said election;

NOW, THEREFORE, BE IT FURTHER RESOLVED, DETERMINED, AND ORDERED as follows:

Section 1: ELECTION

The special election was duly and regularly called, noticed, held, and conducted and the votes cast thereat received and canvassed, and the returns thereof made in the time, form, and manner required by law and by the ordinances, orders, and proceedings taken by the City.

Section 2: NOTICE OF ELECTION

Notice of the calling of said election was duly and legally given by the publication of an appropriate notice in the official newspaper of the City.

Section 3: POLL

The poll of said election opened at 8:00 o'clock A.M. and remained open continuously until closed at the hour of 8:00 o'clock P.M., at the voting place specified hereinbelow.

Section 4: QUALIFIED ELECTORS

Only persons who were qualified electors of the City, duly registered to vote therein, were permitted to vote at said election, and no person so qualified to vote at said election was refused the right to vote.

Section 5: BALLOTS

The ballots used at said election were in the form prescribed by law.

Section 6: PROPOSITIONS AND CANVASS

The City Council has examined the returns of the election on the propositions and hereby canvasses said returns and declares the results of the election and the votes cast for the proposition submitted:

Proposition No. 1

SHALL THE CITY OF BONNERS FERRY ISSUE AND SELL ITS WATER REVENUE BONDS TO PAY PART OF THE COSTS OF THE ACQUISITION AND CONSTRUCTION OF IMPROVEMENTS TO THE CITY'S WATER SYSTEM IN THE PRINCIPAL AMOUNT OF NOT TO EXCEED \$3,000,000? SAID BONDS SHALL MATURE OVER A PERIOD OF NOT TO EXCEED THIRTY (30) YEARS, AND SHALL BE PAYABLE SOLELY FROM THE REVENUES OF THE WATER SYSTEM, ALL AS MORE FULLY PROVIDED IN ORDINANCE NO. 488, ADOPTED ON FEBRUARY 15, 2005.

The total number of votes cast at the polling place for Proposition No. 1, both for and against the proposition, was as follows:

Polling Place	Votes In Favor	Votes Against	Mutilated Ballots	Total Votes
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Bonnors Ferry City Hall	130	75		205
Totals	130	75		205

Proposition No. 2

SHALL THE CITY OF BONNERS FERRY ASSUME THE ASSETS AND LIABILITIES OF THE NORTH WATER AND SEWER DISTRICT, INCLUDING ANY AND ALL OUTSTANDING INDEBTEDNESS OF THE NORTH WATER AND SEWER DISTRICT? IF APPROVED BY THE ELECTORS OF THE CITY AND DISTRICT, THE CITY SHALL BE RESPONSIBLE FOR OPERATING THE WATER AND SEWER SYSTEMS CURRENTLY OPERATED BY THE DISTRICT AND THE DISTRICT SHALL TRANSFER ITS ASSETS TO THE CITY IN ACCORDANCE WITH THE APPROPRIATE REQUIREMENTS OF THE LAWS OF THE STATE OF IDAHO AND THE AGREEMENTS OF THE PARTIES.

The total number of votes cast at the polling place for Proposition No. 2, both for and against the proposition, was as follows:

Polling Place	Votes In Favor	Votes Against	Mutilated Ballots	Total Votes
Bonnors Ferry City Hall	142	63		205
Totals	142	63		205

Proposition No. 3

SHALL THE CITY OF BONNERS FERRY ASSUME THE ASSETS AND LIABILITIES OF THE SOUTH HILL WATER AND SEWER DISTRICT, INCLUDING ANY AND ALL OUTSTANDING INDEBTEDNESS OF THE SOUTH HILL WATER AND SEWER DISTRICT? IF APPROVED BY THE ELECTORS OF THE CITY AND DISTRICT, THE CITY SHALL BE RESPONSIBLE FOR OPERATING THE WATER AND SEWER SYSTEMS CURRENTLY OPERATED BY THE DISTRICT AND THE DISTRICT SHALL TRANSFER ITS ASSETS TO THE CITY IN ACCORDANCE WITH THE APPROPRIATE REQUIREMENTS OF THE LAWS OF THE STATE OF IDAHO AND THE AGREEMENTS OF THE PARTIES.

The total number of votes cast at the polling place for Proposition No. 3, both for and against the proposition, was as follows:

Polling Place	Votes In Favor	Votes Against	Mutilated Ballots	Total Votes
Bonnors Ferry City Hall	144	62		206
Totals	144	62		206

Section 7: ADOPTION

Upon canvass, it is found that at least one-half (50%) plus one of the qualified electors of the City voting at such election cast their votes in the affirmative for all three (3) propositions.

Section 8: AUTHORIZATION TO PROCEED

The City Council, acting as a Board of Canvassers, hereby finds, determines, and declares that:

- (a) Proposition No. 1 on the issuance of water revenue bonds in the principal amount of \$3,000,000 carried by a vote of at least one-half (50%) plus one of the qualified electors of the City voting at the election on said proposition;
- (b) Proposition No. 2 for the assumption of the assets and liabilities of the North Water and Sewer District carried by a vote of at least one-half (50%) plus one of the qualified electors of the City voting at the election on said proposition;
- (c) Proposition No. 3 for the assumption of the assets and liabilities of the South Hill Water and Sewer District carried by a vote of at least one-half (50%) plus one of the qualified electors of the City voting at the election on said proposition;
- (d) The election was in all things held and conducted in strict compliance with the law; and
- (e) The City is authorized to proceed with the authorization of said water revenue bonds as specified in said proposition and the assumption of the North and South Hill Water and Sewer Districts.

Section 9: RATIFICATION

All actions taken by the City in connection with the publication of the Notice of Special Bond Election and the preparation and the printing of the ballots and sample ballots used at the election are hereby in all respects ratified, approved, and confirmed. ADOPTED by the City Council of the City of Bonners Ferry on May 27, 2005.

CITY OF BONNERS FERRY,

Boundary County, Idaho

/s/ Mick Mellett, Council President

ATTEST: /s/ Kris Larson, City Clerk

Russ Docherty moved to approve the hiring of two lifeguards for the pool. Jim Burkholder seconded the motion and it passed, all in favor.

Russ Docherty moved to hire Jim Fritzsche as part-time summer help. Jim Burkholder seconded the motion and it passed, all in favor.

Mick Mellett said there is a request for consideration of a letter of support from the City of Bonners Ferry for the Forest Legacy Program for Clifty Mountain Foothills Project. Stephen said the request is being submitted by the Merrifield's and they will be paid by the government to maintain the property for forestry and agricultural business and will not allow the land to be developed for housing. The current housing on the property is exempt from the easement. The project is a planning tool and it will take in wildlife habitat also. The property remains on the tax rolls. Russ Docherty moved to approve the letter of support by the City of Bonners Ferry for Lon Merrifield's Forest Legacy Program. Leslie Falcon seconded the motion. The motion passed – Mick Mellett “yes”, Russ Docherty “yes”, Leslie Falcon “yes”, Jim Burkholder “yes”.

Mick said the Badger Boosters are interested in having a barbecue in Georgia Mae Plaza on Monday, May 30, 2005 giving away food. Leslie Falcon moved to allow the Booster Club to have a barbecue in Georgia Mae Plaza on Memorial Day if they clean up their mess and for the City to co-sponsor the event for insurance reasons. Russ Docherty seconded the motion. The motion passed, all in favor.

Lon Merrifield joined the meeting. He said there are 1647 acres that will be put in the project. It is good timber and wildlife ground. He said his family is not keen on housing developments being on their property. There are 61 acres that will not be in the project. He wants to keep five acres out for each of his six children for future home sites if they choose to live in the area. The land can be traded among family members if they so choose. Lon believes the letter of support for the project from the City would be influential. Leslie inquired what happens when Lon passes away. Lon said it would go into a trust for his children that he does not have set up yet. He said through the easement the government will pay him and this will help Lon get out of debt. Even if the property is sold the conservation easement stays with the property. The nature of the land will have to remain forestry and agriculture. Russ asked if there is a way to get out of the conservation easement. Lon said the easement would have to be paid back to the government. Lon's separate parcels will be kept separate rather than lumped together. The conservation easement will be monitored and held by Idaho Department of Lands.

There being no further business, the meeting adjourned at 8:23 a.m.

Mick Mellett, Council President

Attest:

Kris Larson, City Clerk